

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES**

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**In re Application of:** **Philyaw et al.**

**Application Serial No.:** **09/382,426**      **Confirmation No.:** **5220**

**Filing Date:** **August 24, 1999**

**Group:** **3625**

**Examiner:** **Mark A. Fadok**

**Title:** **METHOD AND APPARATUS FOR COMPLETING,  
SECURING AND CONDUCTING AN E-COMMERCE  
TRANSACTION**

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**APPELLANTS' REPLY BRIEF**

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## TABLE OF CONTENTS

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I.	Status of the Claims .....	4
II.	Grounds of Rejection to be Reviewed on Appeal.....	5
III.	Argument and Discussion.....	6
A.	Rejections under 35 U.S.C. §103 .....	7
B.	Recent Decisions Affecting a Finding of Obviousness. ....	8
1.	KSR.....	8
2.	Examiner Guidelines.....	11
C.	35 U.S.C § 103 Rejection in the Application on Appeal.....	12
1.	Independent Claim 1 as rejected by the combination of <i>Fortenberry</i> and <i>Hartman</i> ....	13
2.	Dependent Claims 2-11, 15-17, 19-24 and 27 as rejected by the combination of Fortenberry and Hartman.....	22
3.	Dependent Claims 12, 13, 18, 25-26, 28 and 29 as rejected by the combination of Fortenberry and Hartman and Rhoads. ....	23
IV.	Conclusion .....	25

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## TABLE OF AUTHORITIES

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### Cases

Alza Corporation v. Mylan Laboratories, Inc., 464 F.3d 1286 (Fed. Cir. 2006).....	11
Anderson's-Black Rock, Inc. v. Pavement Salvage Co., 396 U.S. 57 (1969).....	9
In re Kahn, 441 F.3d 977, (Fed. Cir. 2006).....	10, 22, 25
KSR International Col. v. Teleflex Inc., et al., 127 S. Ct. 1727 (2007).....	7, 8, 9, 10, 11, 22
Lacks Industries, Inc. v. McKechnie Vehicle Components USA, Inc, 322 F.3d 1335, 1343 (Fed. Cir. 2003).....	18
Sakraida v. AGPro, Inc., 425 U.S. 273 (1976).....	9
United States v. Adams, 383 U.S. 39, 40 (1966).....	9

### Other Authorities

Examination Guidelines for Determining Obviousness Under 35 U.S.C. § 103 in View of Supreme Court Decision in KSR Int'l. Co. v. Teleflex, Inc." Federal Register 72 (10 Oct. 2002) 57526 .....	12, 13
United States Patent and Trademark Office Memorandum to Technology Center Directors regarding Supreme Court Decision on KSR Int'l. Co. v. Teleflex, Inc., dated May 3, 2007... <td>11</td>	11

### Rules

MPEP §2142 .....	7
MPEP §2143.01 .....	8

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This Reply Brief is submitted in accordance with 37 C.F.R. § 41.41 concerning the Examiner's Answer mailed July 23, 2008 in response to the Appellants' Brief on Appeal dated May 6, 2008, that was filed concerning the Notice of Appeal filed October 5, 2007 in response to the Examiner's Final Office Action, dated April 5, 2007, wherein the Examiner finally rejected claims 1-29 that comprise all of the pending claims in this application.

**I. Status of the Claims.**

Claims 1-29 from the application are pending, stand firmly rejected, and are on appeal here.

## **II. Grounds of Rejection to be Reviewed on Appeal.**

Claims 1-11, 14-17, 19-24 and 27 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,005,939 to Fortenberry et al. (“*Fortenberry*”) in view of U.S. Patent No. 5,960,411 to Hartman et al. (“*Hartman*”). Claims 12, 13, 18, 25, 26, 28 and 29 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,005,939 to Fortenberry et al. (“*Fortenberry*”) in view of U.S. Patent No. 5,960,411 to Hartman et al. (“*Hartman*”) and further in view of U.S. Patent No. 6,311,214 to Rhoads (“*Rhoads*”).

As detailed below, Appellants believe that the Examiner has improperly applied the combinations of the *Fortenberry* and *Hartman* references and *Fortenberry*, *Hartman*, and *Rhoads* references to claims 1-29. Specifically, Appellants submit that the §103 rejections based on the combinations of *Fortenberry* and *Hartman* and *Fortenberry*, *Hartman*, and *Rhoads* are not proper and are without basis, and that the Examiner has failed to state a *prima facie* case as to the combinations of *Fortenberry* and *Hartman* and *Fortenberry*, *Hartman*, and *Rhoads* constituting a viable combination of references under 35 U.S.C. § 103.

### **III. Argument and Discussion.**

In order to prevail, Appellants must show that Examiner has improperly combined *Fortenberry* and *Hartman* and *Fortenberry, Hartman, and Rhoads* in support of the 35 U.S.C. § 103. As such, a brief discussion of the relevant rules and recent court decisions affecting a proper rejection under 35 U.S.C. § 103 follows.

A *prima facie* case of obviousness requires three basic criteria to be met:

1. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings.
2. Second, there must be a reasonable expectation of success.
3. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations.

The burden of establishing such a case lies with the Examiner. If the Examiner does not meet each and every criteria required for establishing a *prima facie* case of obviousness, then the rejection based on obviousness is improper, and the applicant is under no obligation to submit evidence of non-obviousness.

In the present application, the various combinations of references proposed by the Examiner are not supported by a proper suggestion or motivation to make each proposed modification. Thus, the first criterion for a *prima facie* rejection has not been met. Further, certain claim limitations are not taught or suggested by the cited combinations, which means that the third criterion for a *prima facie* rejection has not been met. The Examiner has further failed to carry the burden of establishing a *prima facie* rejection for these reasons.

The Examiner addressed this failure of establishing a *prima facie* case of obviousness in his answer, wherein he states:

In response to applicant's argument that there is no suggestion to combine the references, the examiner recognizes that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so

found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. See *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988) and *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992). In this case, the examiner has used teachings, suggestions or motivations that were well known in the art.

Further, KSR forecloses the argument that a specific teaching, suggestion, or motivation is required to support a finding of obviousness.<sup>1</sup>

Although, in *KSR International Col. v. Teleflex Inc., et al.*, 127 S. Ct. 1727 (2007), the Supreme Court held the Federal Circuit's Teaching, Suggestion or Motivation (TSM) test to combine known elements in order to show that the combination is obvious should not be applied in a rigid manner, the TSM test still is considered to be a factor. *KSR* did not change the fundamental principals of obviousness under U.S. Patent Law. Therefore, merely ignoring Appellants' arguments regarding the TSM test is not sufficient.

Further, the Examiner's application of the findings of *KSR* and the PTO's Examiner's Guidelines directed thereto is deficient as the Examiner has failed to properly construe the terms of claims of the instant applicant and failed to provide any arguments and /or any articulated reasoning as to how any deficiency (missing element) could be solved in a predictable manner through combination with any other reference, as detailed below.

#### A. Rejections under 35 U.S.C. §103

MPEP §2142 specifies that:

The examiner bears the initial burden of factually supporting any *prima facie* conclusion of obviousness. If the examiner does not produce a *prima facie* case, the applicant is under no obligation to submit evidence of nonobviousness.

In regard to what an examiner must show in order to establish a *prima facie* case of obviousness, MPEP §2142 further explains that:

To establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference

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<sup>1</sup> See Examiner's Answer mailed July 23, 2008, page 6.

or to combine reference teachings. . . . Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations.

In regard to what an examiner must do in order to meet the first criterion for a *prima facie* rejection, MPEP §2143.01 specifies that:

Obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either explicitly or implicitly in the references themselves or in the knowledge generally available to one of ordinary skill in the art.

In the present application, the various combinations of references proposed by the Examiner are not supported by a proper suggestion or motivation to make each proposed modification. This means that the first criterion for a *prima facie* rejection has not been met, which in turn means the Examiner has failed to carry the burden of establishing a *prima facie* rejection. In addition, certain claim limitations are not taught or suggested by the cited combinations, which means that the third criterion for a *prima facie* rejection has not been met, and that the Examiner has further failed to carry the burden of establishing a *prima facie* rejection for this independent reason. Further, the Examiner has failed to put forth any arguments and has not provided any articulated reasoning as to how any deficiency (missing element) could be solved in a predictable manner through combination with any other reference.

## **B. Recent Decisions Affecting a Finding of Obviousness.**

### **1. KSR**

In the facts of this case, KSR owned a patent claiming technology relating to a position sensor for an automobile pedal. Teleflex sued KSR for infringement. The district court invalidated the Teleflex patent, citing several prior art references teaching adjustable pedals and sensors. The Supreme Court, in a unanimous opinion, concluded that the district court correctly determined that the Teleflex patent was invalid for obviousness. The Court ruled that a person of ordinary skill in the art would have found it obvious to place a sensor on a fixed pivot point of an adjustable pedal, as taught by a combination of the prior art.

The Court reinforced their position that analysis under *Graham* has been reaffirmed. The Court stated that a “patent for a combination which only unites old elements with no change in their respective functions . . . obviously withdraws what is already known into the field of its monopoly and diminishes the resources available to skillful men.”<sup>2</sup> The Court provided this as a “principal reason for declining to allow patents for what is obvious. The combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results.”<sup>3</sup> Further, the Court provided three cases that illustrated the application of this doctrine of predictability. The first case was *United States v. Adams*, 383 U.S. 39, 40 (1966). In discussing this case, the Court noted that it had “relied upon the corollary principal that when the prior art teaches away from combining certain known elements, discovery of a successful means of combining them is more likely to be non-obvious.”<sup>4</sup> In the second case, *Anderson's-Black Rock, Inc. v. Pavement Salvage Co.*, 396 U.S. 57 (1969), the Court reiterated “while the combination of old elements performed a useful function, it added nothing to the nature and quality of the radiant-heat burner already patented.”<sup>5</sup> In the third case, *Sakraida v. AGPro, Inc.*, 425 U.S. 273 (1976), the Court stated that “when a patent ‘simply arranges old elements with each performing the same function it had been known to perform’ and yields no more than one would expect from such an arrangement, the combination is obvious.”<sup>6</sup>

The Court summarized these three cases as follows:

The principles underlying these cases are instructive when the question is whether a patent claiming the combination of elements of prior art is obvious. When a work is available in one field of endeavor, design incentives and other market forces can prompt variations of it, either in the same field or a different one. If a person of ordinary skill can implement a predictable variation, §103 likely bars its patentability. For the same reason, if a technique has been used to improve one device, and a person of ordinary skill in the art would recognize that it would improve similar devices in the same way, using the technique is obvious unless its actual application is beyond his or her skill. *Sakraida* and *Anderson's-Black Rock* are illustrative-a court must ask

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<sup>2</sup>KSR, 127 S. Ct. 1727, 1739 (2007), Citing *Great Atlantic & Pacific Co. v. Supermarket Equipment Corp.*, 340 U.S. 147, 152 (1950).

<sup>3</sup> *Id.*

<sup>4</sup> *Id.* at page 1740

<sup>5</sup> *Id.*

<sup>6</sup> *Id.* at page 1740, Citing *Sakraida* at 282.

whether the improvement is more than the predictable use of prior art elements according to their established functions.<sup>7</sup> (emphasis added.)<sup>8</sup>

The Court recognized that following the above-stated principals might involve more than “the simple substitution of one known element for another or the mere application of a known technique to a piece of prior art ready for the improvement.”<sup>9</sup> The Court noted that it might “be necessary for a Court to look to interrelated teachings of multiple patents; the effects of demands known to the design community or present in the marketplace; and the background knowledge possessed by a person having ordinary skill in the art, all in order to determine whether there was an apparent reason to combine the known elements in the fashion claimed by the patent that issued.”<sup>10</sup> However, the Court also noted that the analysis should be “made explicit” citing *In re Kahn*, 441 F.3d 977, 985 (Fed. Cir. 2006) wherein it stated that “rejections on obviousness grounds cannot be sustained by mere conclusory statements; instead there must be some articulated reason with some rational underpinning to support the legal conclusion of obviousness.”<sup>11</sup> (emphasis added) The Court noted that “the analysis need not seek out precise teachings directed to the specific subject matter of the challenged claim, for a court can take account of the inferences and creative steps that a person of ordinary skill in the art would employ.”<sup>12</sup>

Although the Court in *KSR* appears to reject the rigidity of the TSM test, some reference to the decision in *Alza Corporation v. Mylan Laboratories, Inc.*, 464 F.3d 1286 (Fed. Cir. 2006) was made wherein the Court noted the Federal Circuit’s position that “there is flexibility in our obviousness jurisprudence because the motivation may be found *implicitly* in the prior art. We do not have a rigid test that requires an actual teaching to combine . . . ,” citing *Alza*, 464 F.3d at 1291.<sup>13</sup> However, the Court also noted that the *Alza* decision was not before it and that, although they may describe an analysis more consistent with the Court’s earlier precedence, the Court of Appeals would have to consider the current decision in view of its future cases.

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<sup>7</sup> *Id.*

<sup>8</sup> *Id.*

<sup>9</sup> *Id.*

<sup>10</sup> *Id.* at page 1741

<sup>11</sup> *Id.*

<sup>12</sup> *Id.*

<sup>13</sup> *Id.* at page 1743

## 2. Examiner Guidelines

Following the *KSR* decision, the USPTO put forth two notifications regarding the impact of *KSR* on obviousness. The first notification, a memorandum issued on May 3, 2007,<sup>14</sup> stated that though the Court had rejected rigid application of the Teaching Suggestion Motivation (TSM) test, the Court did not reject the use of the TSM test as a factor in obviousness analysis. Ultimately, the memorandum pointed out that “[t]he Court noted that the analysis supporting a rejection under 35 U.S.C § 103(a) should be made explicit.”<sup>15</sup>

The second notification was the publication in the Federal Register of new Examination Guidelines (Guidelines) detailing the procedures to which Examiners should adhere when rejecting a claim based on obviousness. The Guidelines state “[to] the extent that earlier guidance from the Office, including certain sections of the current Manual of Patent Examining Procedure (MPEP), is inconsistent with the guidance set forth herein, Office personnel are to follow these guidelines.”<sup>16</sup> The Guidelines further state that every obviousness rejection must include each of [the Graham] factors laid out by the Examiner.<sup>17</sup> However, once the factors have been laid out by the Examiner, the Examiner must further explain the rationale as to how he came to the conclusion of obviousness.<sup>18</sup> Additionally, the Guidelines reemphasized the statements made in *KSR* and the memorandum, stating “the analysis supporting a rejection under 35 U.S.C § 103(a) should be made explicit.”<sup>19</sup>

Although not an all-inclusive list, the Guidelines set forth the Rationales to support an obviousness rejection.<sup>20</sup> The Rationales include:

- combining prior art elements according to known methods to yield predictable results;
- simple substitution of one known element for another to obtain predictable results;

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<sup>14</sup> United States Patent and Trademark Office Memorandum to Technology Center Directors regarding Supreme Court Decision on *KSR Int'l. Co. v. Teleflex, Inc.*, dated May 3, 2007.

<sup>15</sup> *Id.* at 2.

<sup>16</sup> Examination Guidelines for Determining Obviousness Under 35 U.S.C. § 103 in View of Supreme Court Decision in *KSR Int'l. Co. v. Teleflex, Inc.*” *Federal Register* 72 (10 Oct. 2002) 57526.

<sup>17</sup> *Id.* at 57526

<sup>18</sup> *Id.* at 57528

<sup>19</sup> *Id.*

<sup>20</sup> *Id.*

- use of known technique to improve similar devices (methods, or products) in the same way;
- choosing from a finite number of identified, predictable solutions, within reasonable expectation of success (i.e., obvious to try);
- known work in field of endeavor may prompt variation of it for use in either the same field or a different one based on design incentives or other market forces if the variations would have been predictable to one of ordinary skill in the art; and some teaching, suggestion, or motivation in the prior art that would have led one of ordinary skill to modify the prior art reference or to combine prior art reference teachings to arrived at the claimed invention.<sup>21</sup>

### **C. 35 U.S.C § 103 Rejection in the Application on Appeal.**

In the Examiner's Answer dated July 23, 2008, the Examiner stated:

In response to applicant's argument that the examiner's conclusion of obviousness is based upon improper hindsight reasoning, it must be recognized that any judgment on obviousness is in a sense necessarily a reconstruction based upon hindsight reasoning. But so long as it takes into account only knowledge which was within the level of ordinary skill at the time the claimed invention was made, and does not include knowledge gleaned only from the applicant's disclosure, such a reconstruction is proper. See *In re McLaughlin*, 443 F.2d 1392, 170 USPQ 209 (CCPA 1971).

Further, hindsight is not improper if the combination would yield predictable results to one of ordinary skill in that art (MPEP 2143).

In response to applicant's argument that there is no suggestion to combine the references, the examiner recognizes that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. See *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988) and *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992). In this case, the examiner has used teachings, suggestions or motivations that were well known in the art.

Further, KSR forecloses the argument that a specific teaching, suggestion, or motivation is required to support a finding of obviousness.

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<sup>21</sup> *Id.* at 57529

In response to applicant's argument that Fortenberry, Hartman and Rhoads is nonanalogous art, it has been held that a prior art reference must either be in the field of applicant's endeavor or, if not, then be reasonably pertinent to the particular problem with which the applicant was concerned, in order to be relied upon as a basis for rejection of the claimed invention. See *In re Oetiker*, 977 F.2d 1443, 24 USPQ2d 1443 (Fed. Cir. 1992). In this case, all of the references Fortenberry, Hartman and Rhoads deal with the purchasing of product over the internet.<sup>22</sup>

Under *KSR*, the Examiner is required first to make the analysis explicit. Second, the Examiner is required to provide a rationale to support a conclusion of obviousness. However, no explicit analysis has been provided, and no articulated reasoning, with some rational underpinning, to support the conclusion of obviousness has been provided. Therefore, a conclusion of obviousness is based on hindsight and, as such, is improper. The Examiner's combination is merely conclusory.

**1. Independent Claim 1 as rejected by the combination of *Fortenberry* and *Hartman*.**

In the Examiner's Answer mailed July 23, 2008, the Examiner maintains his 35 U.S.C. § 103 rejection of Claims 1-11, 14-17, 19-24 and 27. On page 4 of the Examiner's Answer, the Examiner states:

In regards to claim 1-11, 14-17, 19-24 and 27 the combination of Fortenberry and Hartman teach a method of processing profile information of a user for conducting an on-line transaction between the user and a vendor (abstract), comprising the steps of:

entering profile information of a user into a profile form at a user location disposed on a network prior to conduction of an on-line transaction between the user and the vendor (Fortenberry, col 7, lines 39-45),

the vendor disposed at a vendor location on the network (2a, item 210);

issuing to the user a unique code representing stored profile information of the user in response to the user transmitting the profile form from the user location to a second location on the network for storage thereat (Fortenberry col 7, lines 45-65),

the second location disposed on the network (Fortenberry FIG 2a, item 216); initiating an on-line transaction by selecting a

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<sup>22</sup> See Examiner's Answer mailed July 23, 2008, pages 5-7.

product of the vendor at a user location (Fortenberry col 8, lines 29-31);

after selecting the product, providing to the vendor location by the user the unique code for purchase of the product during the on-line transaction (Fortenberry col 8, lines 31 -33),

providing the stored profile information from the second location to the vendor location in response to the vendor location receiving and processing the unique code (Fortenberry col 8); and

Fortenberry teaches passing information from a third party to a vendor to process a transaction after receiving a unique identifier authorizing the release of sensitive information to a vendor (Fortenberry col 8, lines 29-31),<sup>23</sup>

The Examiner further states that *Fortenberry* “. . . does not specifically mention inserting released information into a form automatically before submittal to a user. Hartman teaches automatically filling a confirmation webpage at a server which includes user sensitive information for processing the order (Hartman, FIG 6 and 1C). It would have been obvious to a person having ordinary skill in the art at the time of the invention to generate the web page at the vendor and sending it to the user, because this will be more efficient by eliminating a step and the need for additional software for filling in the web page on the user computer after sending information to the user and sending the web page to the user separately. Further, it would have been obvious to a person having ordinary skill in the art at the time of the invention to include in Fortenberry the confirmation page of Hartman, because this was a notoriously well known means for presenting a final order summary that assures the user that the vendor has the order correct.”<sup>24</sup>

Appellants’ Appeal Brief, filed August 3, 2007, stated that independent Claim 1 recites “A method of processing profile information of a user for conducting an on-line transaction between the user and a vendor, comprising the steps of: entering profile information of a user into a profile form at a user location disposed on a network prior to conduction of an on-line transaction between the user and the vendor, the vendor disposed at a vendor location on the network; issuing to the user a unique code representing stored profile information of the user in response to the user transmitting the profile form from the user location to a second location on the network for storage thereat, the second location disposed on the network; initiating an on-line

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<sup>23</sup> See Examiner’s Answer mailed July 23, 2008, page 4.

<sup>24</sup> See Examiner’s Answer mailed July 23, 2008, page 4

transaction by selecting a product of the vendor at a user location; after selecting the product, providing to the vendor location by the user the unique code for purchase of the product, during the on-line transaction, which on-line transaction requires the user to view a vendor payment form at the user location representing information about the transaction, and which vendor payment form includes fields that are associated with information obtainable from the stored profile information of the user and which must be viewed by the user prior to completion of the on-line transaction; providing the stored profile information from the second location to the vendor location in response to the vendor location receiving and processing the unique code; and automatically inserting by the vendor at least a portion of the stored profile information of the user into the vendor payment form for respective associated fields therein for presentation to the user at the user location after such insertion such that, when the user receives the form for viewing, such insertion has already occurred, such that the user has not viewed the form other than with already populated certain fields prior to reception.”<sup>25</sup> The Examiner contends that the preceding is obvious in light of the rejection above.<sup>26</sup> Appellants have argued, and continue to argue, that independent Claim 1 is not obvious in light of the rejection.

Appellants argued that the citations from *Fortenberry* do not teach entering profile information of a user into a profile form at a user location disposed on a network prior to the conduction of an on-line transaction between the user and the vendor, the vendor disposed at a vendor location on the network.<sup>27</sup> In response, the Examiner contends that this limitation is found in Figure 4 of *Fortenberry* “where the user enters information into a form that is presented in respond [sic] to the query.”<sup>28</sup> (emphasis added) Figure 4 of *Fortenberry* is as follows:

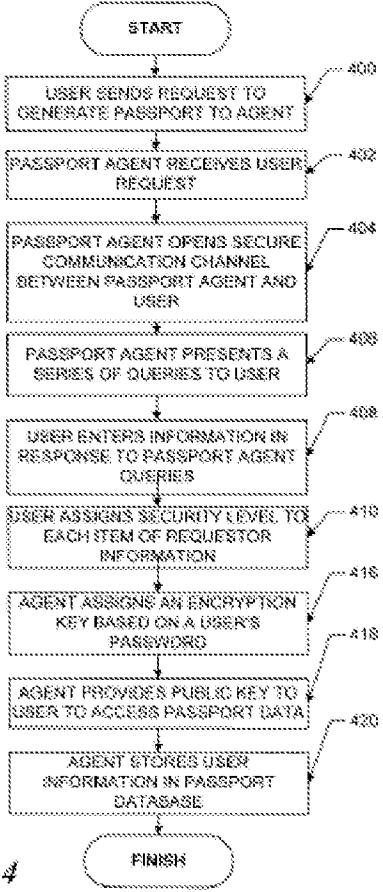
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<sup>25</sup> See Appeal Brief, filed May 6, 2008, Claims Appendix, Independent Claim 1.

<sup>26</sup> See Examiner’s Answer, July 23, 2008, page 2.

<sup>27</sup> See Appeal Brief filed May 6, 2008, page 22.

<sup>28</sup> See Examiner’s Answer, July 23, 2008, page 7.



*FIG. 4*

Step #408 of Figure 4 clearly states “user enters information in response to passport agent queries.” There is no disclosure of a profile form at a user location. In the Examiner’s Answer, the Examiner has included the terms “into a form that is presented” in the cited text to support the rejection. Without the addition of this text, the cited portion clearly is deficient to support the rejection. The Examiner has fallen prey to the hindsight bias prohibited by *KSR*, which is clear error.

The Examiner also maintains that the combination of the *Fortenberry* and *Hartman* renders obvious “issuing to the user a unique code representing stored profile information of the user in response to the user transmitting the profile form from the user location to a second location on the network for storage thereat, the second location disposed on the network” as required by independent Claim 1 of the instant Application.<sup>29</sup> The Examiner states: “clearly the public key is a unique code that provides accessibility to the provided data and since the key

<sup>29</sup> See Examiner’s Answer mailed July 23, 2008, page 7.

opens the data it represents the data in that it is uniquely associated with opening the data.”<sup>30</sup> (emphasis added)

A public key, or public key cryptography, was well known in the art at the time of the invention to be a form of cryptography in which the key used to encrypt a message differs from the key used to decrypt it.<sup>31</sup> The keys are mathematically related but the private key cannot be derived from the public key.

The Examiner admits that the *Fortenberry* public key provides accessibility to the provided data. Further, the Examiner contends that the public key represents that data it unlocks. This clearly is conclusory reasoning as one skilled in the art would recognize that the public key no more represents the data it decrypts than a normal key represents the contents stored behind a door the normal key unlocks. Therefore, the gap between a public key and a unique code is so great as to render Claim 1 of the instant application non-obvious to one of ordinary skill in the art.

Furthermore, independent Claim 1 later requires “providing the stored profile information from the second location to the vendor location in response to the vendor location receiving and processing the unique code.” The Examiner’s construction of the “unique code” is inconsistent with this limitation found in independent Claim 1 as the vendor only uses the public key to open the information after the vendor receives the information. Regardless of the method of construction, the construction must be consistent with the language of the claims.<sup>32</sup> *Fortenberry* contains no disclosure wherein the vendor is provided the stored profile information in response to the vendor location receiving and processing the unique code. In the Examiner’s Answer, the Examiner contends that *Fortenberry*, column 8, lines 40-47 teaches this “where the vendor is submitting a message from the user containing a specific release type based a unique ‘MY-USER-ID.’”<sup>33</sup> The cited portion of *Fortenberry*, with adjoining text, reads:

The vendor requests relevant information contained in the user environment variables from the passport agent, as illustrated by process block 508. The request for information is specified in the

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<sup>30</sup> See Examiner’s Answer mailed July 23, 2008, page 7.

<sup>31</sup> See Appeal Brief filed May 6, 2008, page 24 illustrating this public key decryption by *Fortenberry*.

<sup>32</sup> *Lacks Industries, Inc. v. McKechnie Vehicle Components USA, Inc.*, 322 F.3d 1335, 1343 (Fed. Cir. 2003)

<sup>33</sup> See Examiner’s Answer mailed July 23, 2008, page 8.

message as follows: RELEASE-TYPE TO INTERNET-SITE ON BEHALF OF MY-USER-ID. For example, when requesting the passport agent to release social security number information, the message looks like: RELEASE SOCIAL-SECURITY-NUMBER TO WEB-SITE-X ON BEHALF OF MY-USER-ID. Passport agent 216 receives the request for the information, as illustrated by process block 510 and, based on the security level of the identified information, determines whether or not the requested information should be transmitted to the vendor in encrypted form, as illustrated by decisional block 512.

If the information is to be encrypted, an encryption process is carried out by passport agent 216, as illustrated by process block 514. If the data is encrypted, the private key is used to encrypt the contents of the user environment variables. The encrypted data contains the name of the user environment variable and its assigned value. Otherwise, the requested information is sent to the vendor by passport agent 216, as illustrated by process block 516. When the vendor, i.e. the web server receives passport data from the passport agent 216, and such user information is encrypted, the public key sent by the user is used to unlock and decrypt the passport data, as illustrated by the decisional block 518 and process block 520.<sup>34</sup> (emphasis added)

The Examiner has provided a citation that teaches the vendor sending a message containing a “MY-USER-ID” value to request user information. The Examiner also has expressly stated that he interprets the public key to be a unique code that provides accessibility to the provided data.<sup>35</sup> However, the public key, relied upon by the Examiner as the unique code, is not used until after the information is received. The Examiner is first providing the public key as the unique code then providing the “MY-USER-ID” as the unique code. The Examiner’s construction of the unique code of independent Claim 1 and his reliance upon *Fortenberry* to teach the unique code is clear error.

Appellants further argued that *Fortenberry* does not disclose “initiating an on-line transaction by selecting a product of the vendor at a user location.”<sup>36</sup> (emphasis added). In response, the Examiner contends that this limitation is taught by *Fortenberry*, Figure 5, item 502 stating this “clearly depicts the vendor requesting a transaction. Therefore, by way of requesting

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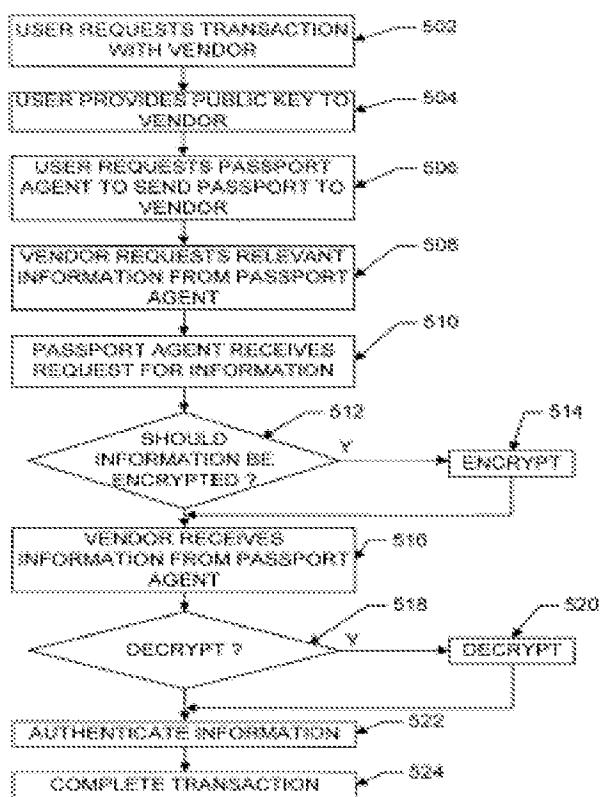
<sup>34</sup> See *Fortenberry*, Col. 8, lns. 37-64.

<sup>35</sup> See Examiner’s Answer mailed on July 23, 2008, page 7.

<sup>36</sup> See Appeal Brief filed May 6, 2008, page 24.

the entry of a customer order, where a product has been selected, the transaction as initiated indicates that a product had been selected at some previous time and at what the appellant calls the initiation of the transaction.”<sup>37</sup> The Claim language clearly requires that the transaction is initiated by selecting a product at a user location, not by way of the vendor requesting the entry of a customer order where a product has been selected. The Examiner has construed the term “initiated by selecting a product at a user location” in a manner inconsistent with the specification and the full ordinary and customary meaning of the term.

Further, the cited portion of *Fortenberry* does not disclose “initiated by selecting a product at a user location.” Figure 5, item #502 of *Fortenberry* is as follows:



**FIG. 5**

Element #502 does not contain any disclosure for “initiating an on-line transaction by selecting a product at of the vendor at a user location.” Element #502 merely discloses that,

<sup>37</sup> See Examiner’s Answer mailed July 23, 2008, pages 7-8.

somewhat, the user requests a transaction with vendor. The Examiner has failed to provide a *prima facie* case as to why *Fortenberry* renders obvious “initiating by selecting a product of the vendor at a user location.”

Appellants argued that *Fortenberry* does not disclose “after selecting the product, providing to the vendor location, by the user, the unique code for purchase of the product ...” The Examiner contends that *Fortenberry* teaches this limitation in column 8, lines 40-47.<sup>38</sup> The Examiner states that “the vendor is submitting a message from the user containing a specific release type based a unique ‘MY-USER-ID.’”<sup>39</sup> The cited portion of *Fortenberry*, with adjoining text, reads:

The vendor requests relevant information contained in the user environment variables from the passport agent, as illustrated by process block 508. The request for information is specified in the message as follows: RELEASE-TYPE TO INTERNET-SITE ON BEHALF OF MY-USER-ID. For example, when requesting the passport agent to release social security number information, the message looks like: RELEASE SOCIAL-SECURITY-NUMBER TO WEB-SITE-X ON BEHALF OF MY-USER-ID. Passport agent 216 receives the request for the information, as illustrated by process block 510 and, based on the security level of the identified information, determines whether or not the requested information should be transmitted to the vendor in encrypted form, as illustrated by decisional block 512. If the information is to be encrypted, an encryption process is carried out by passport agent 216, as illustrated by process block 514.<sup>40</sup>

The cited portion of *Fortenberry* discloses that the vendor requests information from the Passport Agent. The cited portion of *Fortenberry* does not disclose that “after selecting the product, providing to the vendor location by the user the unique code for purchase of the product.”

The Examiner contends that teachings of *Fortenberry* can be combined with the teachings of *Hartman* to teach “automatically inserting by the vendor at least a portion of the stored profile information of the user into the vendor payment form.” The Examiner states that

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<sup>38</sup> See Examiner’s Answer mailed July 23, 2008, page 8.

<sup>39</sup> See Examiner’s Answer mailed July 23, 2008, page 8.

<sup>40</sup> See *Fortenberry*, Col. 8, lns. 37-53.

“[the] combination of Fortenberry and Hartman clearly teach ‘A structured document with spaces reserved for entering information and often containing special coding as well.’”<sup>41</sup> Appellants argued that *Fortenberry* teaches away from a combination with *Hartman*’s concept of presenting information back to the user, especially for the purpose of ensuring that the vendor has the order correct, by teaching that the transaction is ignored if the public key does not match the information.<sup>42</sup> The Examiner has identified a particular element in the prior art, that being a web page containing information regarding a user and a purchase. *Kahn* stated that “a mere identification in the prior art of each element is insufficient to defeat the patentability of the combined subject matter as a whole.”<sup>43</sup> Rather than concentrate on this element, the Examiner is required to provide an articulated reason with a rational underpinnings on which the Examiner concludes that it would have been obvious to make the claimed invention, i.e., why one of ordinary skill in the art would have been motivated to select the references and to combine them in order to render the claimed invention obvious. The Examiner’s indication that a confirmation web page exists does not show the existence of such teaching. Further, when the prior art teaches away from combining certain elements, discovery of a successful means of combining them is more likely to be non obvious.<sup>44</sup> Furthermore, neither of the cited references, taken singularly or in combination, shows an on-line transaction as recited by the claims of the instant application.<sup>45</sup>

The Examiner clearly has erred in his claim construction of independent Claim 1 in regard to his interpretation of the profile form at a user location and unique code. Further, even if the combination of *Fortenberry*, and *Hartman* were proper, which Appellants believe it is not, that combination fails to disclose the whole invention as set forth in Claim 1. The Examiner has erroneously construed independent Claim 1 and has failed to provide a *prima facie* case as to why the combination of *Fortenberry* and *Hartman* renders obvious Appellants’ present inventive concept, as defined by Claim 1.

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<sup>41</sup> See Examiner’s Answer mailed July 23, 2008, pages 7-8.

<sup>42</sup> See Appeal Brief filed May 6, 2008, page 31.

<sup>43</sup> *Kahn*, 441 F.3d at 986.

<sup>44</sup> *KSR*, 127 S.Ct. at 1740.

<sup>45</sup> See Appeal Brief filed May 6, 2008, pages 31-34.

**2. Dependent Claims 2-11, 15-17, 19-24 and 27 as rejected by the combination of Fortenberry and Hartman.**

Claims 2, 3, 9 and 10 depend from, and further limit Claim 1, while Claims 15, 16, 22 and 23 depend from, and further limit Claim 14. These dependent claims are allowable for at least the same reasons as the claims from which they depend, as discussed above. Additionally, Appellants argued that the Examiner has provided no citation nor directed Appellants to any teaching in the references that teaches the limitations found in these dependent claims.<sup>46</sup> In the Examiner's Answer, the Examiner did not provide any citations or direct Appellants to any teachings in the references where these limitations are taught. As such, the Examiner has failed to make his analysis explicit and failed to provide a *prima facie* case of obviousness as to these claims.

In regards to Claims 4 and 17, Appellants argue that the combination of *Fortenberry* and *Hartman* does not teach "wherein the vendor location receives the profile information from the second location in response to the vendor location transmitting the unique code to the second location."<sup>47</sup> In response, the Examiner states "[the] examiner disagrees and directs appellants' attention to FIG 5 Item 506 and col 8, lines 37-52, where it is clear that the vendor is submitting a unique code to a [sic] the second location (pass port agent) in response to a unique code 'MY-USER-ID'."<sup>48</sup> The Examiner previously relied upon the public key as a unique code. However, here the Examiner clearly now is relying upon "MY-USER-ID" as a unique code. The Examiner's construction of the "unique code" is clearly inconsistent with the language of the claims and with the citations provided, which is clear error.

Further, the cited portion of *Fortenberry* merely teaches that the vendor sends a request message to the passport agent. There is no teaching or disclosure, in *Fortenberry*, that the vendor sends the public key to the second location. *Fortenberry* expressly teaches that the vendor uses the public key to unlock the information received from the passport agent.<sup>49</sup> The Examiner has construed the terms "vendor location transmitting the unique code to the second location" in a manner inconsistent with the language of the claims. Appellants submit that the

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<sup>46</sup> See Appeal Brief filed May 6, 2008, page 35.

<sup>47</sup> See Appeal Brief filed May 6, 2008, page 35.

<sup>48</sup> See Examiner's Answer mailed July 23, 2008, page 9.

<sup>49</sup> See *Fortenberry*, col. 8, lns 61-65.

Examiner has erroneously construed Claims 4 and 7 and has failed to provide a *prima facie* case as to why the combination of *Fortenberry* and *Hartman* renders obvious Appellants' present inventive concept, as defined by Claims 4 and 17.

In regards to Claims 5, 6 and 19, Appellants argue that the combination of *Fortenberry* and *Hartman* does not teach that the "unique code is unique and has a unique number associated therewith."<sup>50</sup> In response, the Examiner again provides *Fortenberry*, Figure 5 Item 506 and column 8, lines 37-52. The Examiner states that "it is clear that the vendor is submitting a unique code to a [sic] the second location (pass port agent) in response to a unique code 'MY-USER-ID'."<sup>51</sup> As noted herein above, the Examiner previously relied upon the public key as a unique code but now clearly is relying upon the "MY-USER-ID" as a unique code as well. The Examiner has construed the terms "unique code" in a manner inconsistent with the language of the claims. Appellants submit that the Examiner has erroneously construed Claims 5, 6 and 19 and has failed to provide a *prima facie* case as to why the combination of *Fortenberry* and *Hartman* renders obvious Appellants' present inventive concept, as defined by Claims 5, 6 and 19.

Appellants note that the Examiner has not provided a response sufficient to rebut Appellants arguments with respect to the Claims 2-3, 7-11, 15-16, 20-24 and 27. Therefore these claims are allowable for at least the reasons articulated in the Appeal Brief filed May 6, 2008.

### **3. Dependent Claims 12, 13, 18, 25-26, 28 and 29 as rejected by the combination of Fortenberry and Hartman and Rhoads.**

In regard to Claims 13, Appellants argue that the combination of *Fortenberry*, *Hartman* and *Rhoads* does not teach that the "wherein the unique code is placed on a credit card."<sup>52</sup> In response, the Examiner states that "as admitted by appellant on page 45 of the Appeal Brief, *Rhoads* teaches 'a steganographically encoded object disposed on a credit card.'"<sup>53</sup> However, the Examiner has failed to articulate a reasoning with a rational underpinning of why one skilled in the art would find it obvious to place the public key, which is a software encryption algorithm,

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<sup>50</sup> See Appeal Brief filed May 6, 2008, page 37.

<sup>51</sup> See Examiner's Answer mailed July 23, 2008, page 9.

<sup>52</sup> See Appeal Brief filed May 6, 2008, page 44-46.

<sup>53</sup> See Examiner's Answer mailed July 23, 2008, page 10.

on a credit card.<sup>54</sup> The Examiner identified a particular element in the prior art, that being the limitation of a steganographically encoded object disposed on a credit card of a user. *Kahn* states that “a mere identification in the prior art of each element is insufficient to defeat the patentability of the combined subject matter as a whole.”<sup>55</sup> Rather than concentrate on this element, the Examiner is required to articulate the basis on which the Examiner concludes that it would have been obvious to make the claimed invention, i.e., why one of ordinary skill in the art would have been motivated to select the references and to combine them in order to render the claimed invention obvious. As such, the Examiner has failed to provide a *prima facie* case as to why the combination of *Fortenberry*, *Hartman* and *Rhoads* renders obvious Appellants’ present inventive concept, as defined by Claim 13.

Appellants note that the Examiner has not provided a response sufficient to rebut Appellants arguments with respect to the Claims 12, 18, 25-26, 28 and 29. Therefore these claims are allowable for at least the reasons articulated in the Appeal Brief filed May 6, 2008.

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<sup>54</sup> See Appeal Brief mailed May 6, 2008, page 45.

<sup>55</sup> *Kahn*, 441 F.3d at 986.

#### **IV. Conclusion**

In Summary, the Examiner's Answer has not provided a response sufficient to rebut the arguments articulated by the Appellants in the Appeal Brief. Further, the construction of the several terms is inconsistent with the language of the claims. The Examiner has not provided proper suggestion, motivation, or teaching for the various combinations because the text fails to illustrate "why" one skilled in the art would combine the references in the particular manner required to provide a predictable variation. Instead, the Examiner simply identifies particular components for each reference, combines them in a specific manner required by Appellants' claimed invention, and then states that it would be obvious to one skilled in the art to do so. This is clearly hindsight based reasoning that contravenes the standards imposed by both the MPEP and the Federal Circuit, and Appellants respectfully submit that the cited combinations are improper for reasons detailed above and requests that the rejections under § 103 be withdrawn.

Respectfully submitted,

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